

From: Bob Steward
To: Microsoft ATR
Date: 1/23/02 2:03pm
Subject: Microsoft Settlement

Dear Sirs:

I have been saddened to see that the DoJ seems to have caved in to the demands of Microsoft in a proceeding which is supposed to be a penalty phase for them after having been ruled against in Court.

It is widely seen in the personal computer field that Microsoft's attitude and actions are obviously those on a major monopoly wielding their "big stick". From the mid-eighties on, the industry comment on Microsoft's tactics with the operating system against its competitors was "DOS isn't done 'til Lotus won't run!"

Where there used to be a large number of major competitors in such things as word processors and spread sheets, there is now essentially only Microsoft Office. Not even all die hard Microsoft cheerleaders will say that Microsoft Office is a superior product to the Lotus 1-2-3 and Word Perfect products that Office were created to compete against. So if it isn't a "superior product", why has it stamped out all other competing programs? Because of insidious "features" like proprietary formats that change with each release, requiring that everyone who exchanges documents must also "upgrade" in order to continue to work together.

They have relentlessly crushed new innovation and existing competitive products with tactics that included announcing that the features of a competitor's product would be "free" in the next release of Windows. This has had the effect of removing the financing of companies because of announcements that the next Microsoft release would "give away" the product that a particular company had developed. Many excellent products were destroyed in the name of "competition" from Microsoft. Even startup companies with no current product for sale were destroyed by this tactic. If the word went out from Redmond that some feature would be in a future release, then the startup would be at the nearly insurmountable disadvantage of having conceived of an idea and worked to develop a feature set and screen shots in order to make an announcement to the public (and potential backers) that they were going to release a particular program, only to Microsoft suggest that this was a "new feature" to be incorporated into Windows. This announcement might or might not actually come to fruition on Microsoft's part, but it stopped the would be competition dead in their tracks since they knew they could not survive a direct frontal assault by Microsoft. Consider the Stacker vs. Microsoft case in which Stacker won a multi-million dollar judgement against Microsoft for having stolen Stacker's code for use in Microsoft's DoubleSpace drive compression, and yet Stacker was forced out of business and bought by Microsoft without Stacker ever collecting the judgement.

There are many other examples, such as the wholesale re-use of Mosaic code to create Internet Explorer and the subsequent bundling of it with Windows causing the brilliant innovator Netscape to collapse. Even today years after Internet Explorer was bundled with Windows, Netscape remains a superior product with a better user interface, but changes in Microsoft code continue to damage users of Netscape because Microsoft's Monopoly allows them to break "standards" and thus cause other products to spend large amounts of manpower to keep their code working with the latest Microsoft changes.

I personally feel that money damages alone would not effectively level the playing field for all that wish to compete for the public's computer software dollar. Rather, it would seem that Microsoft should be given a dose of their own medicine and be barred from developing or releasing ANY internet applications or in bundling applications with the operating system such that for a period of say 5 years they can not enter the market place with anything that is an internet application. This would have the effect of letting other competitors build a lively marketplace and encourage innovation and competition such that at some future date when (if?) Microsoft is allowed back into the arena, they will have to PROVE their product is superior, and not just under bid and pre-bundle to kill off their established competitors.

The plainly biased offer by Microsoft to provide a billion dollars in computer hardware and software to schools as a "penalty" is ludicrous. This only enables them to snare the next generation of computer users at an even younger age and train them up to be experienced at using ONLY Microsoft's products. Further their accounting would value the software at some "retail" price which effectively puts profit back in Microsoft's pocket. Rather if a "sanction" like this were to go forward, the hardware should be purchased by Microsoft from non-affiliated companies, and the software should be a mix of Open Source alternatives, such that Microsoft is not further extending its monopoly at the expense of other computer innovators.

The effects of letting Microsoft "own" commerce on the internet with their ".NET" initiative and several other projects (Hailstorm) that seem aimed at REQUIRING Microsoft to be an integral partner in matters they have no business in seem pressing enough to prod even the most jaded bureaucrat into action to turn back the juggernaut which Microsoft has become to the detriment of PC users everywhere.

While much more could be said about this, I can only hope that your time will be more productively spent STOPPING the collapse of sanctions against Microsoft, so I shall rest.

Sincerely,
Bob Steward

Birmingham, AL